

SERVICE DATE – JULY 28, 2017

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36134

PORTLAND VANCOUVER JUNCTION RAILROAD, LLC—OPERATION EXEMPTION—
RAIL LINES OF COLUMBIA BUSINESS CENTER, CLARK COUNTY, WASH.

Digest:¹ In this decision, the Board grants a request to advance by four days (to July 31, 2017) the effective date of the exemption in this case.

Decided: July 27, 2017

On July 5, 2017, Portland Vancouver Junction Railroad, LLC (PVJR), a Class III rail carrier, filed a verified notice of exemption under 49 C.F.R. § 1150.41 to operate approximately 3 miles of rail line owned by Columbia Business Center (CBC), a noncarrier, pursuant to an agreement with FC Service LLC (FC), an agent for CBC, also a noncarrier. The 3-mile line is located within a business park in Clark County, Wash., and there are no mileposts. PVJR states that the line interconnects with lines of the BNSF Railway Company (BNSF). Notice of the exemption was served and published in the Federal Register on July 19, 2017 (82 Fed. Reg. 33,200), indicating that the exemption would become effective on August 4, 2017. This type of exemption becomes effective 30 days after the verified notice is filed. See 49 C.F.R. § 1150.42(b).

In the verified notice, PVJR requests that the Board shorten the applicable effective date from the standard 30 days to 26 days to allow the exemption to become effective on July 31, 2017. To support its request, in a supplement to its notice submitted on July 14, 2017, PVJR states that, although PVJR signed the agreement on Friday, June 30, 2017, the agreement was not fully executed until the following Monday, July 3, 2017, and that the 4th of July holiday delayed its ability to file prior to the 5th of July. PVJR points out that this line generates a substantial number of cars per day that require switching services twice per day during the week and once per day on weekends. PVJR states that due to limited storage space and the need to carefully coordinate interchange with BNSF, a gap in service would disrupt the shippers' daily operations and result in the accumulation of unnecessary demurrage charges, which could adversely impact shipper/carrier relationships in the future. Finally, PVJR indicates that a delay in PVJR's ability

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

to commence service on August 1, 2017, could exacerbate past problems and impact operations at BNSF's Vancouver Yard, which, in turn, "could possibly have a temporary impact on freight rail service between Portland and Seattle, as well as the ports of Tacoma and Seattle. In addition, it could adversely affect Amtrak operations." (Suppl. 2.)

The Board will grant PVJR's request to make the exemption effective on July 31, 2017. PVJR has explained that it was unable to file the notice of exemption before July 5. Moreover, by allowing the exemption to take effect sooner than the normal 30 days, PVJR will be able to begin service without disrupting service to shippers or impacting the operations of other carriers.

The Board, however, reminds parties filing verified notices of exemption that, in light of the need to provide adequate public notice of a proposed transaction given the already compressed time frames of the notice of exemption process, any request to expedite the effective date of an exemption should include, at the outset, a thorough explanation of why the verified notice could not have been filed in time to accommodate the standard publication and effective dates under the Board's regulations.

It is ordered:

1. PVJR's request is granted.
2. PVJR's operating exemption will be effective on July 31, 2017.
3. This decision is effective on its service date.

By the Board, Board Members Begeman, Elliott, and Miller.